



DOCKET FILE COPY ORIGINAL

RECEIVED

FEB 19 1997

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

1850 M Street, N.W., Suite 1100
Washington, DC 20036

February 19, 1997

William F. Caton
Acting Secretary
Federal Communications Commission
Room 222
1919 M St., NW
Washington, D.C. 20554

Re: CC Docket No. 96-149

Dear Mr. Caton:

Attached is the original, plus 11 copies, of Sprint Corp.'s Comments in the above-captioned proceeding. We have also provided Janice Myles of the Common Carrier Bureau with this filing on diskette in WordPerfect 5.1 format.

Sincerely,

Norina Moy
Director, Federal Regulatory
Policy and Coordination

cc: Janice Myles

No. of Copies rec'd
List ABCDE

044

RECEIVED

FEB 19 1997

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)
)
Implementation of the Non-Accounting) CC Docket No. 96-149
Safeguards of Sections 271 and 272 of)
the Communications Act of 1934, as)
amended)

COMMENTS

Sprint Corporation hereby respectfully submits its comments in the above-captioned proceeding in response to the Notice of Proposed Rulemaking released December 24, 1996 (FCC 96-489).

I. INTRODUCTION AND SUMMARY.

In this proceeding, the Commission has sought comment on the types of information the BOCs should be required to provide to demonstrate that, in compliance with Section 272(e)(1), they are fulfilling requests "from an unaffiliated entity for telephone exchange service and exchange access within a period no longer than the period in which it provides such telephone exchange service and exchange access to itself or to its affiliates." The report proposed in Appendix C of the NPRM should be adopted and expanded as follows:

- all information should be provided separately for the BOC, the BOC affiliates, and non-affiliated entities;
- additional information should be provided for resold local services and unbundled network elements provided by the BOC;

- additional performance measures -- percentage of customers suffering service outages, percentage of access lines with trouble reports, and percentage of held orders -- should be included.

As discussed briefly below, these more extensive reporting requirements are necessary to ensure that BOC competitors obtain services and facilities at the same speed and quality as the BOC provides such services and facilities to itself and to its affiliates. This information should be provided electronically, on a monthly and three-month rolling average basis, for each state and MSA in the BOC's service territory.

II. MORE COMPREHENSIVE REPORTS ARE REQUIRED.

There can be no dispute that discrimination by the BOCs in the provisioning of telephone exchange and exchange access services would seriously and perhaps fatally impede the development of competition in the local services market. Therefore, it is of critical importance that the non-accounting safeguards adopted in this proceeding be sufficient to alert the Commission and interested parties to possible violations of Section 272(e)(1) in a timely fashion. The reporting requirements suggested in Appendix C of the NPRM are a reasonable starting point, and should be adopted by the Commission. However, Appendix C is not comprehensive enough, and the BOCs should be subject to the following additional information disclosure requirements:

1. The information in the Section 272(e)(1) report should be provided for three categories of carriers: the BOC, the BOC

affiliate(s), and non-affiliated entities. As noted above, Section 272(e)(1) requires equally timely provisioning for the unaffiliated entity, the BOC and the BOC affiliates. It would be impossible to determine whether the mandate of this section were being met without this three-way breakdown of information.

2. The Section 272(e)(1) report should include information on resold local services and unbundled rate elements provided by the BOC. Appendix C appropriately seeks information on new circuit (DS0, DS1, DS3, etc.) provisioning. However, because CLECs will likely enter the market initially by reselling ILEC facilities and using ILEC unbundled network elements (either in conjunction with the CLEC's own facilities or on a recombined basis), the BOCs also should be required to report service category results for resold services and unbundled network elements.
3. Three additional performance measures ("service categories," in the parlance of Appendix C) should be added to the Section 272(e)(1) report:

⇒ The number of customers suffering service outages per 100 subscribers. The CLEC customer base used in this calculation should include only those customers for whom the CLEC is providing service through pure resale of ILEC facilities, or through the total service repackaging of unbundled network elements. Under both of these arrangements, no new facilities are involved -- all that is involved is

a record change. In theory, such CLEC customers should experience the same degree of service outages as is experienced by BOC customers. A high (*vis-a-vis* BOC customers) percentage of CLEC customers experiencing service outages might be evidence that the incumbent BOC is somehow discriminating against its CLEC competitors.

⇒ The number of trouble reports per 100 access lines. As was the case with service outages above, a BOC which reports a significantly higher percentage of trouble tickets for CLEC customers than for its own operations may be providing inferior facilities or services to its CLEC competitors.

⇒ The number of "held" orders per 100 new facility connection requests. If a BOC is behaving in a truly nondiscriminatory fashion, the ratio of held orders could reasonably be expected to be roughly the same for itself, its affiliates, and non-affiliated carriers. Significant disparities may be a sign that the BOC is filling its own orders more promptly and over better facilities than is the case for CLEC orders.

The above information should be provided on a monthly basis and a three-month rolling average. First impressions are critical, and customers' early experience with the service offerings of a new local service provider are likely to color the market's reaction to the new entrant well into the future. Thus, it is important that CLECs have access to timely information on ILEC

provisioning performance records so that they (CLECs) may immediately identify potential problem areas.

The Commission also should require the BOCs to provide the provisioning report on a state-wide basis for each state in the BOC's local service territory, as well as on a MSA basis. It is likely that competition will develop in pockets throughout the BOC's service area. A BOC should not be allowed to aggregate performance results in areas in which it is facing competition with results in areas in which it remains the monopoly service provider. This sort of aggregation makes it more difficult to detect discriminatory activity.¹

The Commission has tentatively concluded (NPRM, ¶369) that each BOC must submit a signed affidavit stating that it will maintain the required information in a standardized format; will update the information in compliance with Commission rules; will maintain accurate information; and will inform the public how to access such information. Sprint does not oppose use of the proposed affidavits, provided that the BOCs agree to provide the required information electronically, for example, via the Internet (¶370). Providing the information in this way ensures that interested parties are able to review the subject information


¹For example, a BOC facing competition in State A might provide extremely high levels of service to itself and its affiliates, and only average levels of service to the CLECs. In State B, where there is no competition, the BOC might provide only average levels of service to itself and its affiliates. Averaging the results of service to itself and its affiliates in State A and State B would bring the average down and obscure the fact that the BOC was engaging in discriminatory activities.

Comments of Sprint Corp.
February 19, 1997

without having to travel to an inconvenient BOC business office.
Because the subject report is publicly available information, the
BOC need not be concerned that posting this information elec-
tronically presents a threat to confidential BOC data.

Respectfully submitted,

SPRINT CORPORATION



Leon M. Kestenbaum
Jay C. Keithley
Norina T. Moy
1850 M St., N.W., Suite 1110
Washington, D.C. 20036
(202) 857-1030

February 19, 1997

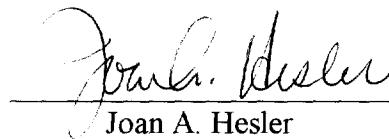
CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Comments of Sprint Corporation was Hand Delivered or sent by United States first-class mail, postage prepaid, on this the 19th day of February, 1997 to the below-listed parties:

Regina Keeney
Chief
Common Carrier Bureau
Room 500
Federal Communications
Commission
1919 M Street, N.W.
Washington, D.C. 20554

Janice Myles
Common Carrier Bureau
Room 544
Federal Communications
Commission
1919 M Street, N.W.
Washington, D.C. 20554

International Transcription
Service
1919 M Street, N.W.
Washington, D.C. 20554


Joan A. Hesler